

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work Drill —		5. Lease Number NM-86494	
1b Type of Well Gas —		6. If Indian, Name of Tribe or Allottee	
2. Operator Texakoma Oil & Gas Corporation		7. Unit Agreement Name 30-045-30391	
3. Address & Phone No. of Operator %A. R. Kendrick Box 516, Aztec, NM 87410 (505) 334-2555		8. Farm or Lease Name 27018 La Plata	
4. Location of Well 1244' FNL 1744' FWL		9. Well Number 1 —	
10. Field, Pool, or Wildcat Basin Fruitland Coal —		11. Section, Township, & Range, Meridian, or Block C-17-31N-13W	
14. Distance in Miles from Nearest Town 2 miles west of La Plata Postoffice		12. County San Juan	13. State New Mexico
15. Distance from Proposed Location To Nearest Property Line or Lease Line.	1244'	16. Acres in Lease 1209.87	17. Acres Assigned to Well W - 320
18. Distance From Proposed Location To Nearest Well Dr, Compl., Or Applied For On Lease.	3054'	19. Proposed Depth 2100' — <small>This action is subject to technical and procedural review pursuant to 43 CFR 3160.3 and appeal pursuant to 43 CFR 3160.4.</small>	20. Rotary or Cable Tools Rotary
21. Elevations (DF, RT, GR, Etc.) 5755' GR		22. Approximate Date Work Will Start. Summer, 2000	
23. Proposed Casing and Cementing Program: Exhibits attached as follows: "A" Location and Elevation Plat "B" Vicinity Map - Access Roads "C" Ten-Point Compliance Program "D" Multi-Point Requirements for APD "E" Blowout Preventer Schematic "F" Location Profile "G" Drill Rig Layout "H" Completion Rig Layout "I" Production Facility Schematic "J" List of Wells Within One Mile			
24. Signed <u>A.R. Kendrick</u>		Title <u>Agent</u>	Date <u>10/11/00</u>

Permit No. _____ Approval Date _____

Approved By /s/ Jim Lovato Title _____ Date NOV 8 2000

NOTE: THIS FORMAT IS ISSUED IN LIEU OF U.S. BLM FORM 3160-3.

~~HOLD FOR~~ NSL

NR0002

156 4527

State of New Mexico
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

2000-001-11-01-2-17

☐ AMENDED REPORT

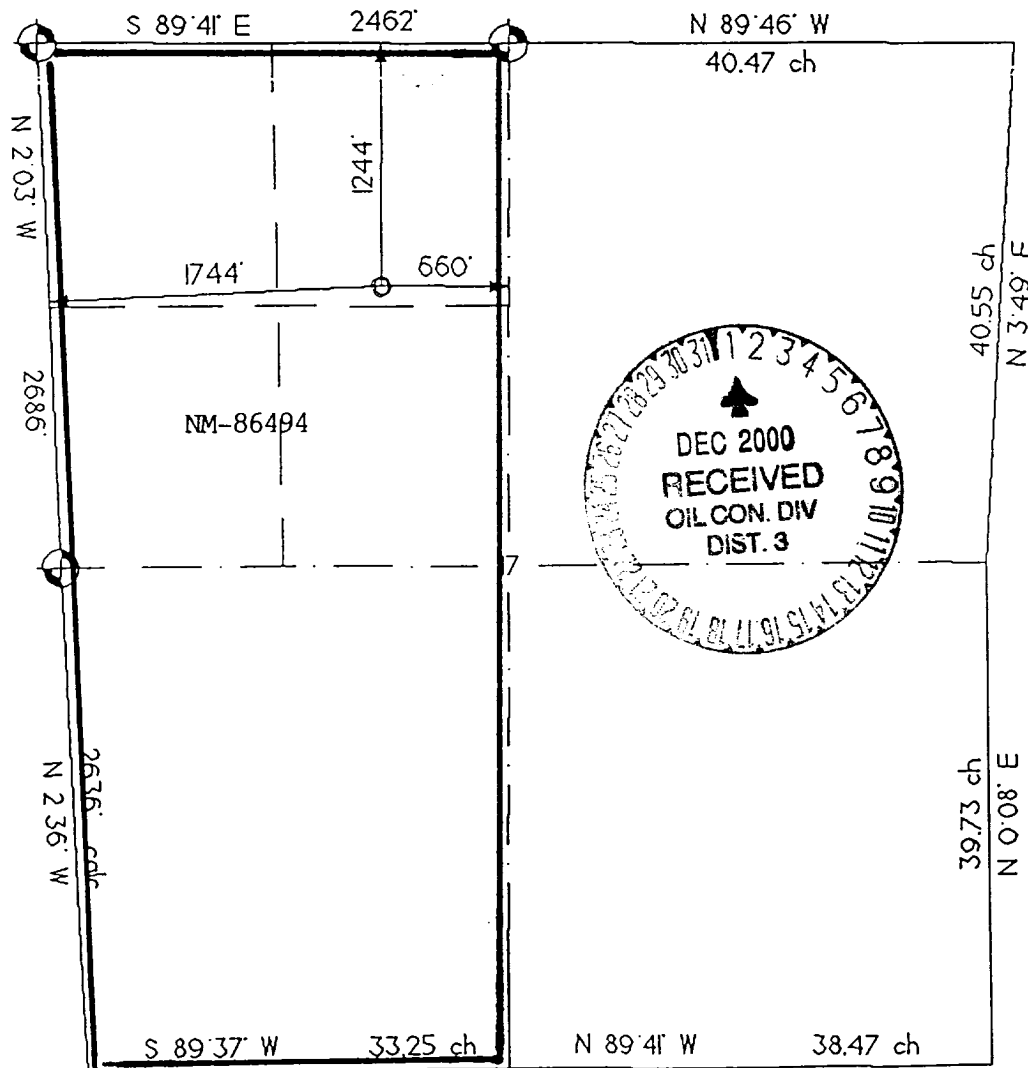
WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number 30-045-30391		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 27618	Property Name TEXAKOMA - LA PLATA 17		Well Number 1
GRID No. 22521	Operator Name TEXAKOMA OIL & GAS CORPORATION		Elevation 5755'

Surface Location									
UL or Lot C	Sec. 17	Twp. 31 N.	Rge. 13 W.	Lot kh.	Feet from> 1244	North/South NORTH	Feet from> 1744	East/West WEST	County SAN JUAN

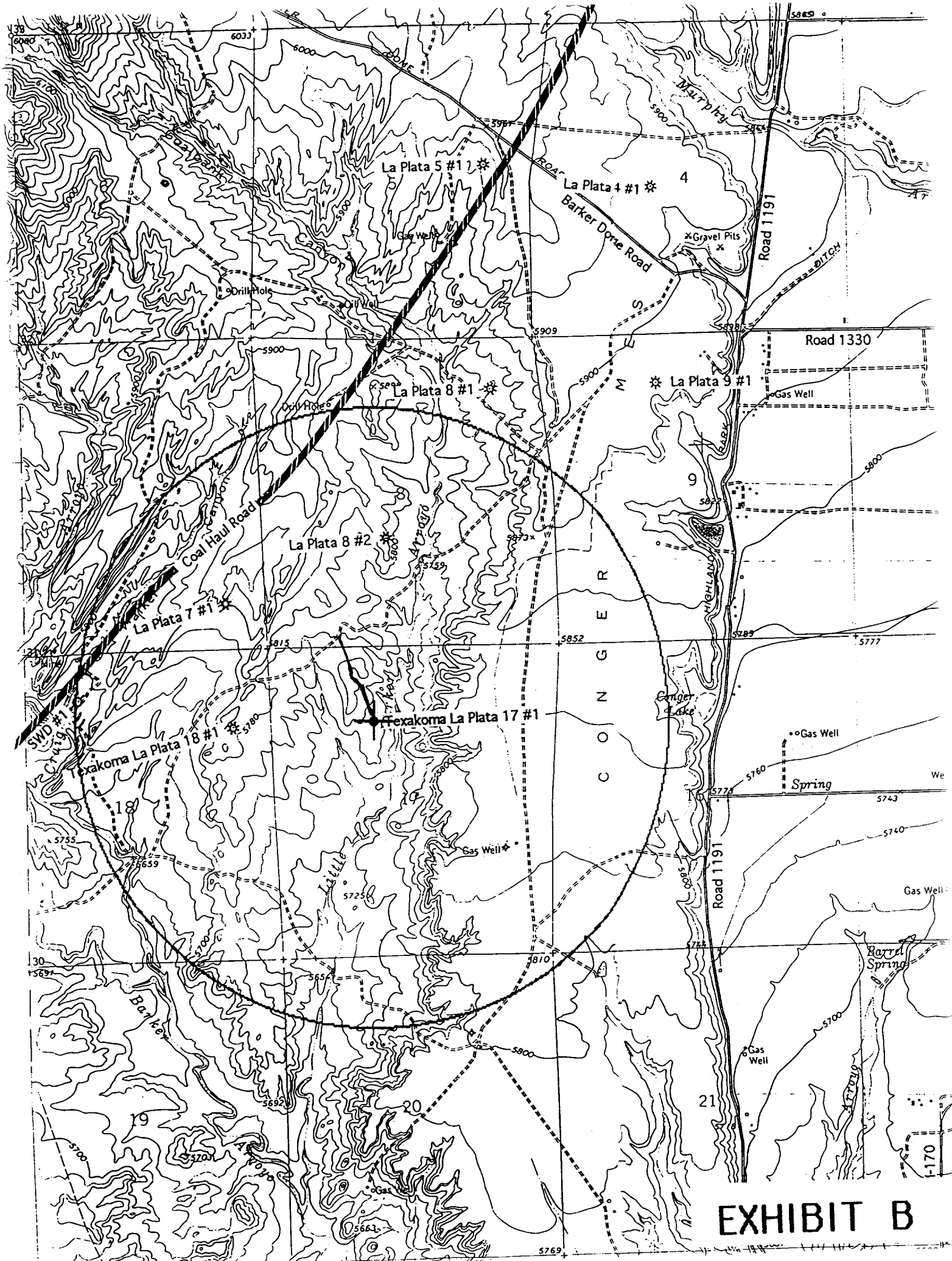
Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot kh.	Feet from>	North/South	Feet from>	East/West	County
Dedication W-320	Joint ? N	Consolidation		Order No.					

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Signature	<i>AR Kendrick</i>
Printed Name	A R Kendrick
Title	Agent
Date	9/28/00
SURVEYOR CERTIFICATION	
I hereby certify that the well location on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
Date of Survey	SEPT. 2000
Signature and Seal of Professional Surveyor	<i>GERALD H. BUDDLESTON</i>

EXHIBIT A



TEN-POINT PROGRAM
Texakoma Oil & Gas Corporation
La Plata 17 #1
1244' FNL 1744' FWL 17-31N-13W
San Juan County, New Mexico
Lease No. NM-86494

1. THE GEOLOGICAL SURFACE FORMATION IS: Kirtland / Fruitland Shale.
2. THE TOPS OF IMPORTANT GEOLOGICAL MARKERS: (BASED ON EXISTING LOG INFORMATION)

Ojo Alamo	600'
Fruitland Coal	1700'
Pictured Cliffs	1750'
Total Depth	2100'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

<u>SUBSTANCE</u>	<u>FORMATION</u>	<u>ANTICIPATED DEPTH</u>
Gas	Fruitland Coal	1700'

4. THE CASING PROGRAM:

<u>DEPTH</u>	<u>HOLE SIZE</u>	<u>CASING O.D.</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>TYPE</u>	<u>NEW/USED</u>
0-150'	8-3/4"	7"	20#	J-55	ST&C	NEW
0-2100'	6-1/4"	4-1/2"	10.5#	J-55	ST&C	NEW

PROPOSED CEMENT PROGRAM: To effectively isolate and seal off all water, oil gas and coal-bearing strata encountered by the utilization of spacers, centralizers and swirling centralizers at the base of the Ojo Alamo formation as specified by NTL-FRA 90-1 III.B and API standards; and by using cement volumes as follows: (exact volumes to be determined from logs.)

SURFACE: 50 Cu Ft (50 Sx) Class B w/0.25# Flocele/Sx plus 2% CaCl (100% Excess).

PRODUCTION: 162 Cu Ft (82 Sx Light standard cement w/2% Metasylicate + 0.25 pps Flocele mixed to 12.4 ppg followed by 162 Cu Ft (134 Sx) Standard w/0.6% Halad-322 mixed to 15.6 ppg w/caliper plus 50% excess in both slurries. Grand Totals: 364 Cu Ft (216 Sx).

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Exhibit E is a schematic of the blowout preventer used by a local contractor for other wells in the area.

The BOP to be used is an Annular BOP with screwed connections with high-pressure inlet and outlet hoses, all tested to 2000 psi minimum.

